



The ADVISOR

TEACHERS, EMPLOYEES, and JUDICIAL



Vol. XXXV — No. 10

SERVING OVER 329,000 MEMBERS

April 2010

Got To Love This Jealous of Alabama??

The state of Virginia has always considered itself, rightly so at times, a little bit better than the rest of the “Old South.” Last month, the *Richmond Times-Dispatch* covered a speech by Lt. Governor Bill Bolling about creating jobs for Virginians.

According to the paper, a businessman said the state should try to re-attract a Disney theme park. More than a decade ago, Disney abandoned plans to locate a park to the state after citizen opposition.

Decrying the lack of Virginia tourism promotion money, Bolling said, “If I hear about the Robert Trent Jones Golf Trail one more time, I’m going to barf.” Alabama has been advertising on Virginia television stations. ■

Hotels and Restaurants Receive Four Diamond Awards

The RSA is raking in the awards for its hotels and restaurants. AAA Alabama awarded the RSA the largest number of diamonds ever given to one group. The seven Four Diamond Awards represent the **top four percent** of hotels and restaurants in the country according to AAA.

“With five hotels and two restaurants receiving this honor on the same day, this is definitely a record for Alabama,” said Al Gibbs, Vice President and General Manager, AAA Alabama. “From the Grand Hotel, a long time recipient of the Four Diamond Award, to the newest properties in Montgomery, Florence, and Hoover, the RSA has done a great deal to improve the hospitality level in our state and for our AAA members. This is the first time Montgomery has had a Four Diamond Award recipient.”

LODGINGS

- Renaissance Montgomery Hotel & Spa at the Convention Center in Montgomery – *First year*
- The Battle House, A Renaissance Hotel & Spa in Mobile – *Two years*
- Marriott Shoals Hotel & Spa in Florence – *Three years*
- Renaissance Ross Bridge Golf Resort & Spa in Hoover – *Four years*
- Grand Hotel Marriott Resort Golf Club & Spa in Point Clear – *Thirty years*

RESTAURANTS

- The Grand Dining Room in Point Clear – *Two years*
- The Trellis Room in Mobile – *Two years*

“The Heretic”

By David G. Bronner



For the nearly four decades I have served at the RSA, most Alabamians and the media have expected the Alabama Legislature to accomplish one primary goal – passage of the Education Trust Fund and General Fund budgets.

For the very first time, I strongly believe they should not pass those budgets!

I realize by that comment I have dubbed myself “The Heretic.” Our Governor, like numerous others such as “The Terminator Governor” from California, has proposed budgets that include billions of new dollars from that “Bad Old” federal government. The same government that sends Alabama more money than Alabama sends to Washington D.C.!

My job requires that the RSA knows what is happening in the major states that affect the U.S. economy, and therefore the stock and bond markets. I often smile when I hear good people of high intelligence complain about the Alabama Legislature. In fact, if they read the local papers in other states or even the “liberal” *New York Times* or *Washington Post* about political nonsense in New Mexico, California, Illinois, New York, as well as many others, they would have a very different perspective on typical political gamesmanship.

“The Heretic” continued on page 2



The top eight women's golfers in the world have committed to play in the Bell Micro LPGA Classic at Magnolia Grove's renovated

LPGA Coming to Mobile

Tommy Hicks, *Press-Register*

Crossings Course May 13-16. The tournament, which was moved from its original October date last year to its new date this spring, has a full field of 144 players and 28 alternates.

Lorena Ochoa, a past champion of The Mitchell Company Tournament of Champions limited-field event that preceded the Bell Micro, is the world's top-ranked player and heads the list of early commitments. She is joined, in order, by the next seven in the rankings: Jiyai Shin, Ai Miyazato, Suzann Pettersen, Christie Kerr, Yani Tseng, Anna Nordqvist, and Karrie Webb.

"I think the biggest thing that this shows is the job that has been done in prior events in Mobile," tournament director Jonathan Romeo said. "The

players like Mobile and enjoy playing there. That's evident by the field. ...Having the top eight players in the world is pretty darn good, but we're hoping to have all of the top 100 players in the world."

The LPGA schedule also has contributed to the early commitment list, Romeo said. The Bell Micro LPGA Classic is one of only 13 tournaments in the United States this season, and its spot on the calendar comes after a two-week break on tour. And the next full-field event after the Bell Micro is not until the LPGA State Farm Classic in Springfield, Ill., June 10-13.

For more information on the tournament, visit www.bellmicrolpgaclassic.com.

"The Heretic"

continued from page one

Alabama is unique in many positive ways, but in some ways not so positive. For instance, our fiscal year starts on October 1 while 47 other states start their budget year on July 1.

This "heretic" thinks studying how numerous states choose to deal with their financial crisis before July 1 could provide the necessary backbone for Alabama to move forward instead of hastily adopting a simple "slash and burn" budget that would ultimately destroy 20 years of progress. Georgia Republicans are considering two new taxes. Illinois and California have problems on a much larger scale than Alabama.

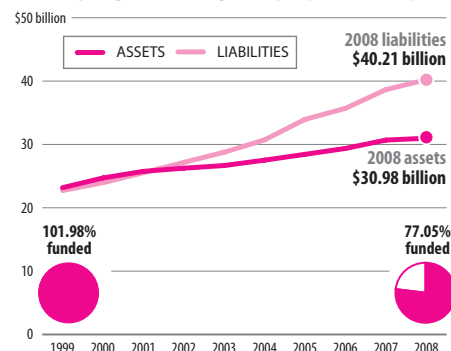
Waiting a couple of months in order to study the solutions of these other states to see if any of those solutions could work in Alabama is, to me, a prudent course of action for us to consider before passing the budgets. Even if the Legislature ends up adopting the same "slash and burn" budgets, it would still be helpful to delay action. We owe that to ourselves, our children, and the future of Alabama. ■

The PEW Report (The Alabama Part of the 50 State Report)

ALABAMA needs to improve how it manages its long-term liabilities for both pension and retiree health care and other benefits. While the state has made 100 percent of its annual required contribution for pensions for each of the past 12 years, this has not been enough to counter a downward trend in funding that started in 2000. As of fiscal year 2008, Alabama had funded 77 percent of its total pension bill, just below the 80 percent benchmark that the U.S. Government Accountability Office says is preferred by experts. In 2007, the legislature directed the state to create irrevocable trusts to begin setting aside assets to pay for Alabama's retiree health care and other benefits. But at the end of fiscal year 2008, the state had set aside only \$400 million of the \$15.5 billion needed to pay those obligations, leaving 97 percent unfunded.

PENSIONS, 1999-2008

Alabama's pension liabilities grew 77 percent between 1999 and 2008, outpacing assets, which grew only 34 percent in that period.

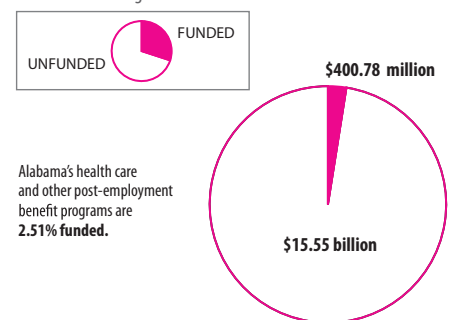


Total Bill Coming Due:	\$40,206,232
Portion Unfunded:	\$9,228,918
Annual Required Contribution (ARC):	\$1,069,214
Percentage ARC Funded:	100.00%

Note: In thousands

HEALTH CARE & OTHER BENEFITS, 2007

Retiree health care and other benefit liabilities are 28 percent of Alabama's total retirement bill but are 63 percent of the state's retirement funding shortfall.



Total Bill Coming Due:	\$15,950,194
Portion Unfunded:	\$15,549,411
Annual Required Contribution (ARC):	\$1,313,998
Percentage ARC Funded:	84.31%

Note: In thousands

RSA Member Discount

Robert Trent Jones
Golf Trail



Through May 31, purchase your 2010 RTJ Trail Card at one of the five locations listed below and play for free the same day (cart included). Plus receive \$10 off the already discounted Trail Card for every additional 18-hole round you play at these five Trail locations.

Reservations may be made up to 7 days in advance at www.RTJgolf.com. Normal Trail Card rates apply at locations not listed below. When checking in, please mention the April Advisor Special to take advantage of this offer.

Hampton Cove (Huntsville)
The Shoals (Muscle Shoals/Florence)
Silver Lakes (Anniston/Gadsden)
Cambrian Ridge (Greenville)
Highland Oaks (Dothan)

Silence Can Be Bad

By Dr. Paul Hubbert, AEA

Alabama is certainly no exception to any of the economic realities facing other states. The current recession is longer and deeper than any I've seen in nearly 50 years as an educator and a close observer of the economy's cycle. ...No student or school employee has escaped without feeling some impact from austere state education budgets in Alabama. Classroom supply money, libraries, labs, textbooks, and cuts in teacher units have hit our classrooms very hard already.

...To put it bluntly, many schools have to beg and borrow the best they can just to keep things as normal as possible for students. Recently, a teacher told of having to hand out paper towels and toilet paper as her students entered their restrooms. That's how bad things have gotten in some of our schools.

"No new taxes!" That is the campaign message of most of our major candidates for governor. They offer no solu-

tions and are often heard to say things like, "You can't solve the problem of education by throwing money at it." This apparently justifies doing nothing, so they think. That is not where the voters are, however.

The Capital Survey and Research Center's polls say, when asked if they must choose between 1) more cuts to school budgets or 2) raising taxes? Over 60 percent say we ought to raise revenue. Let me be clear about this! If you, as an educator, help elect one of these "No new taxes" people to office, we will get exactly what we deserve – Nothing! No help at all!

...Unless educators speak up now, loudly and clearly, we will see another election produce a governor and Legislature committed to "no new taxes" and our children will continue to pay the price for our silence. **We must become the leaders now that we want our students to become later in life.** ■



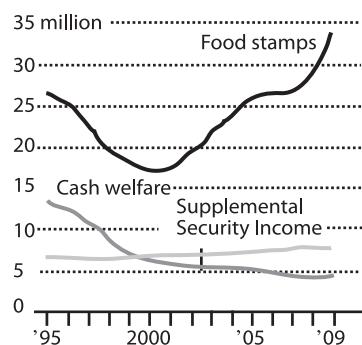
WANT TO HELP? A FREE Car Tag

Tired of that worn-out dealer tag on the front of your car? Would you like to help the RSA and our Alabama Tourist Department advertise "Alabama's Robert Trent Jones Golf Trail" on your front bumper? If so, call to request a tag at 334.517.7000, or 877.517.0020, or write:

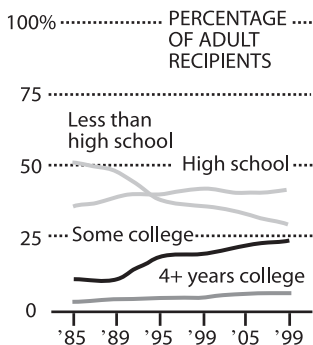
Tag • P.O. Box 302150 • Montgomery, AL 36130-2150

Changing Demographics With officials promoting food stamp use, the program's reach extends beyond the most disadvantaged.

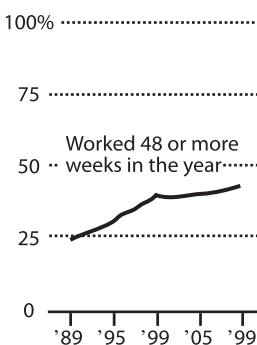
The number of recipients has grown more than for other programs.



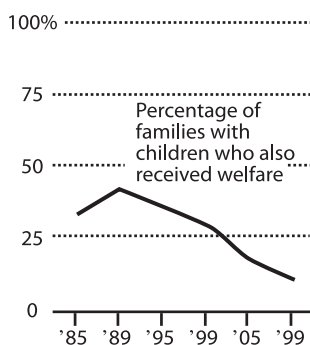
Education levels of food stamp recipients have risen ...



... the share with jobs has grown ...



... and fewer are also receiving cash welfare.



Sources: the programs; Center for Budget and Policy Priorities (first chart); Census Bureau; Minnesota Population Center (right three charts)

ENJOY YOUR SPRING/SUMMER
A Special Deal
FOR RSA MEMBERS

**The Battle House,
A Renaissance Hotel – Mobile – \$99**

- April 4–7, 11–12, 18–22, 25–26
- May 2–6, 8–11, 18–22, 27–31
- June 4–10, 18–19, 23

**The Renaissance Riverview Plaza –
Mobile – \$89**

- April 4–7, 11–12, 18–22, 25–26
- May 2–6, 8–11, 18–22, 27–31
- June 4–10, 18–19, 23

Marriott Grand – \$99 plus a 15% resort fee.

- April 1–2, 11–16, 18–20, 25–29 • May 2–20, 30–31
- June 1–4, 16–17, 20–24

Marriott Grand – RSA Golf Package – \$169

Ask for code – LOCD

Includes: Deluxe Room, One Round of Golf for Two People.

Call for Tee Times after booking package

- April 1–2, 11–16, 18–20, 25–29 • May 2–20, 30–31
- June 1–4, 16–17, 20–24

Marriott Shoals – Florence – \$89

- April 1–8, 11–13 • May 3–5, 9–11, 16–18, 23–25
- June 1–2, 6, 20–23

Renaissance Ross Bridge – Hoover – \$99

- April 1–8, 18, 20–21, 25–26
- May 2–4, 9, 16, 23, 31 • June 1–5, 6, 13, 20

Opelika Marriott – \$89

- April 1–7, 11, 13, 18, 20–28
- May 1–4, 7–12, 15–17, 23–27, 30–31
- June 1–5, 13, 16–23

Prattville Marriott – \$89

- April 2–5, 11, 15, 18, 20, 24–27
- May 3–13, 16–17, 23–26, 30–31
- June 1–10, 13, 16–17, 20–23, 27–30

Renaissance Montgomery – \$99

- April 1–5, 10–11, 16–18, 20, 25–30
- May 1, 4–11, 21–26, 28–31
- June 11–16, 20–21, 25–27, 30

RSA Spa Package – \$159

Ask for code – LOCD Includes Deluxe Room

- April 1, 20, 27–29 • May 1, 4–6, 11, 25–26, 28–31
- June 15–16, 30

Rates available the 1st of the month and are not applicable to groups.

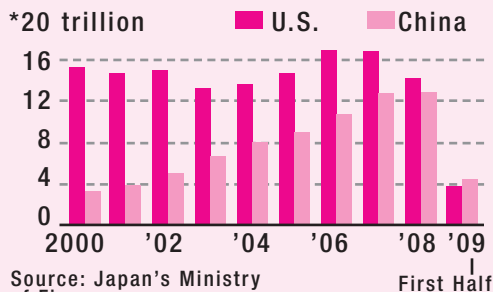
Code: RABM, 800-228-9290

Internet promo code: R2A on marriott.com

Book Online and Save RSA \$4.

Trading Places

Japan's exports to U.S. and China



Source: Japan's Ministry of Finance

Source: The Wall Street Journal

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Annual Report is available online at
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